

June 23, 1999

Roy C. Mayo, III
Clerk of the Circuit Court
County of Amherst

Board of Supervisors
County of Amherst

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the County of Amherst for the period July 1, 1997 through June 30, 1998. We conducted our audit in accordance with generally accepted auditing standards.

Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system and no material weaknesses in the internal controls. However, we noted noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

Improve Receivables Management

The Clerk does not have adequate procedures to ensure proper collection of past due and delinquent accounts. We observed the following:

- The Clerk does not establish accounts on the accounting system until approximately four months after concluded cases.
- The Clerk does not promptly enter all unpaid fines and costs in the Judgment Lien Docket Book. It takes up to 5 months to record judgments after concluded cases.
- The Clerk does not adequately monitor partial payment accounts. The accounting system generates a daily report listing deferred and partial payment accounts that have not complied with payment agreement terms. The Clerk does not review the report and take appropriate action to initiate collection efforts on the delinquent accounts. The

accounting system has the automated capability to monitor these accounts. The system can automatically notify the Department of Motor Vehicles when individuals miss payments and change due dates for submission to the Commonwealth's Attorney and collection agent.

To increase the collection of court revenues, the Clerk should establish receivables immediately upon final disposition of the case as required by the Financial Management System User's Guide and should record all judgments in the Judgment Lien Docket Book promptly. The Clerk began using the automated feature of the court's accounting system for monitoring partial payment accounts in February 1999. Although this will enhance the Clerk's ability to monitor receivables, the Clerk must make collection of fines and costs a priority in his office.

We discussed these comments with the Clerk on June 9, 1999, and we acknowledge the cooperation extended to us during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:aom

cc: The Honorable Samuel J. Johnston, Chief Judge
Stewart Shaner, County Administrator
Bruce Haynes, Executive Secretary
Compensation Board
Martin Watts, Court Analyst
Supreme Court of Virginia
Paul Delosh, Technical Assistance
Supreme Court of Virginia